

Louisville asks liquor warehouse to control vapors

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A black fungus grows on a white picket fence in south Louisville, Ky. near a bourbon aging warehouse owned by Diageo. The company has been told by city officials in Louisville to control its warehouse vapors, which promote the growth of the black substance. (Dylan Lovan / AP)

LOUISVILLE, Ky. (AP) — A worldwide liquor conglomerate has been ordered by Louisville officials to cut down on vapors coming from warehouses where it stores bourbon because residents are complaining about odors and a black fungus accumulating on houses.

The action by the city's Air Pollution Control District arrives as several makers of Kentucky's signature drink are facing lawsuits blaming their bourbon barrel storage warehouses for emitting ethanol vapors that promote the growth of a sooty black fungus on nearby properties in Louisville and Frankfort.

The black fungus does not present any health problems, said Thomas Nord, an air district spokesman.

The air district says London-based Diageo could face steep fines if it doesn't control the vapors at its bourbon warehouses in southern Louisville.

Kentucky's bourbon warehouses, filled with wood bourbon barrels stacked to the rafters, can be seen nestled into the rolling landscapes of the state's bourbon country, where they have sat for generations. Distillers have long called the escaping vapors the "angel's share" of the bourbon.

But warehouses found closer to residential areas have run afoul of some neighbors, who say they have wondered for years where the mysterious black soot came from.

"I didn't have no inkling where that stuff was coming from," said Chester Holloway, who lives across the street from the Diageo bourbon warehouses in south Louisville. He said he has seen more of the moldy substance in the last five years as it gathers on his gutters, exterior walls and the awnings in front of his red brick home.

"It looks awful," Holloway said Wednesday.

Diageo said in a statement that it is taking the allegations very seriously and they are reviewing the complaints. Diageo and other bourbon makers released a joint statement after bourbon fungus lawsuits were filed over the summer.

"As we have stated previously, the appearance of a black substance on some buildings and

structures is due to a naturally-occurring common mold that is found widely in the environment, including areas not related to whiskey production," Diageo said in the statement.

There have been 27 neighbor complaints of the black mold and seven odor complaints since last year, the air district wrote in the letter.

The vapors "accumulate inside aging warehouses, and are eventually emitted into the ambient air and across property boundaries," the Sept. 7 violation letter to Diageo said. The company, which owns popular brands Crown Royal, Smirnoff and Bushmills, has until Nov. 3 to come up with a compliance plan.

Diageo is one of five bourbon-making defendants in lawsuits filed in June that blame storage warehouses in Louisville and Frankfort for causing the black fungus to gather on properties. The suits name some of Kentucky's most famous bourbon producers, including Jim Beam; Brown-Forman, which produces Woodford Reserve; Heaven Hill and Buffalo Trace. The suits say the black fungus causes property damage.

The air district said it has found that the sooty substance resembles baudoinia, a fungus that grows rapidly in ethanol-rich environments. The violation letters say Diageo could face fines of up to \$10,000 a day if it does not comply.

"Our goal is to get them to come up with a control plan to stop this," Nord said.

Nord declined to comment on whether other bourbon makers will be receiving similar violation letters.

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